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July 2<sup>nd</sup>, 2010

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**REF: RFI No. A10-RFI-055, Turnkey Approach to Statewide Data Center**

Ms. O'Hara:

Capgemini Government Solutions LLC, a member of the Capgemini global family of companies ("Capgemini"), is pleased to present our response to the State of Washington ("the State") request for information regarding a turnkey approach to a statewide data center.

For four decades, Capgemini has served the strategic, technological, and operational needs of local and national governments around the world to help them fulfill their missions and drive their transformation agendas. With a global workforce of more than 92,000 employees in 34 countries and annual revenues of \$12 billion, Capgemini is one of the world's largest providers of consulting, technology, and outsourcing services. We are one of the leading providers of application and infrastructure support, as validated by industry rankings including:

- #1 global outsourcing vendor, Black Book of Outsourcing.
- #2 outsourcer worldwide, International Association of Outsourcing Professionals.
- #7 worldwide for IT services market share, Gartner.
- #1 in client satisfaction, IT service providers, Forrester.

This experience enables us to provide the State with information regarding leading practices, and proven tools and methodologies tailored for the unique requirements of this project. We offer a very specific value proposition for the State—independent advisory, design, and delivery services engineered to help the State achieve lower costs, performance flexibility, and enhanced collaboration.

We stand ready to further discuss our solution and thank you for the opportunity to provide an overview. Please do not hesitate to contact me, should you desire additional information. I can be reached at 708-267-7903 or via e-mail at [jose.garcia@capgemini-gs.com](mailto:jose.garcia@capgemini-gs.com).

Sincerely,

Jose Garcia, Vice-President, State and Local Government

July 2, 2010 | RFI No. A10-RFI-055

# The State of Washington Turnkey Approach to Statewide Data Center

Submitted by:

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## 1 Conceptual Alternatives

First and foremost, Capgemini takes an agnostic approach in bringing best in class tools and infrastructure in achieving maximum results. We have strategic partnerships with all major equipment and software suppliers, allowing us to work within your current environment and make educated suggestions for replacements when desired and/or necessary.

Additionally, Capgemini was the leader and developer of the Integrated Architecture Framework© (IAF). This is an architecture framework that includes business, information, information system, and technology infrastructure. IAF has been developed by Capgemini since the 1990s, from live experience of practicing architects on client project across our organization. IAF is:

- A comprehensive framework to deliver market-leading solutions.
- Adaptable to the specific needs of an organization.
- Scalable from individual projects to enterprise-wide transformation.
- A recognized architecture method in The Open Group's IT Architecture Certification program (ITAC).
- IAF has evolved based on the real-world experience, and continues to provide strong focus on the need to understand the business needs and drivers, and for all aspects of the architecture and all architectural decisions to be traceable back to these business priorities.

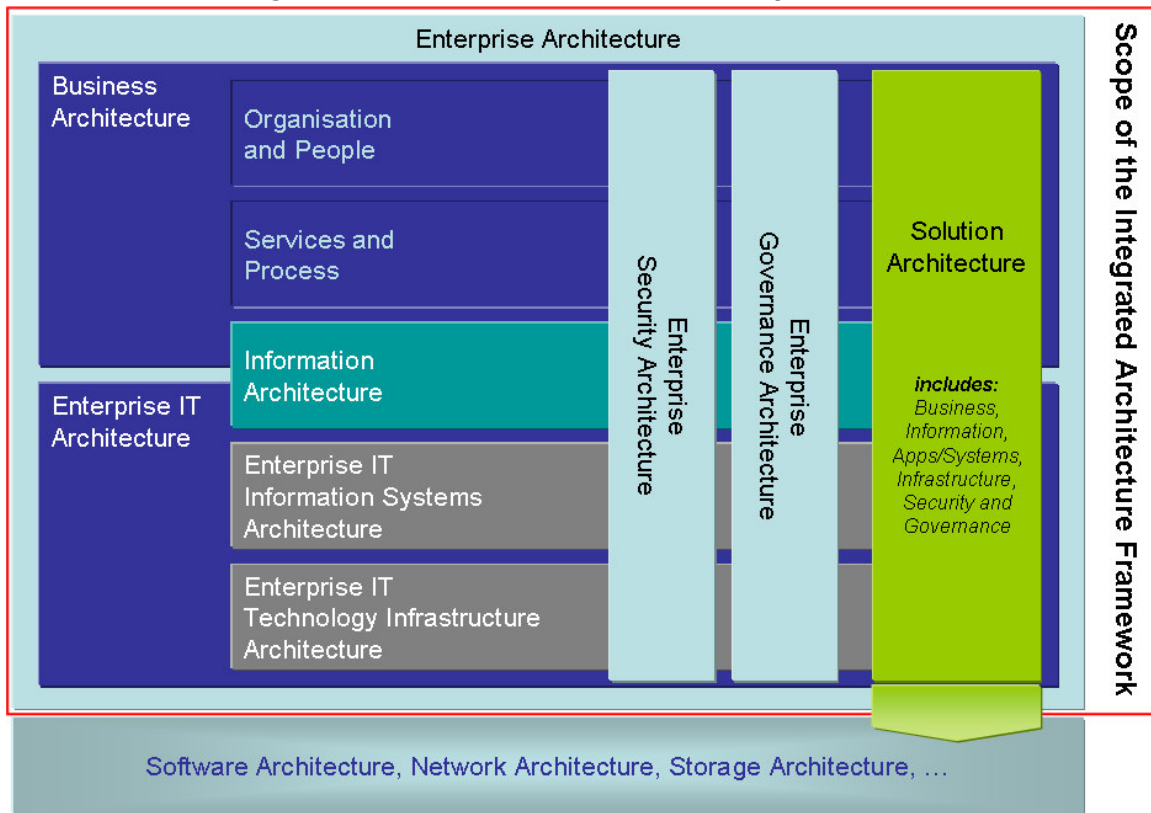
Capgemini has assembled a seasoned team that offers the requisite skills to perform this assessment and the experience to offer a turnkey approach to move through future implementation phases with a successful realization of benefits.

Capgemini is recognized as a global leader, with a proven set of methodologies and best in class resources. Our consultants bring deep skills and experiences in consulting, technology, and outsourcing unique to this engagement. We also have strong working relationships with the leading hardware and software vendors across the technology landscape that promotes stronger evaluations and recommendations on key technology decisions.

### Capgemini's IAF to Create Technical View of Future State Design

Capgemini's IAF will be used to define and document our technical view of the State's future state design. IAF focuses on business, information, information systems, technology infrastructure, security, and governance areas. Within this model, enterprise architecture includes the structure and relationships of the target enterprise, its business models, the way the new organization should work, and how and in what way IT will support the organization in achieving its business goals. Its key components are divided in Abstraction Levels and Aspects Areas, as described by **Figure 1-1**.

**Figure 1-1. Abstraction Levels and Aspect Areas**



## Abstraction Levels

Abstraction allows a consistent level of definition and understanding to be achieved in architecture. It allows relevant issues to be identified in the initial stage to form a base for subsequent steps. The IAF defines the following levels of abstraction:

1. The Conceptual Level determines **what** is needed to realize business needs. The requirements and objectives are decomposed so that all aspects of the scope are explored, that relevant issues are identified, and that these issues are resolved without concern over how the architecture will be realized.
2. The Logical Level determines **how** the architecture can be logically structured and organized to achieve the stated objectives. It evaluates multiple solution alternatives that either provide the same outcome or a different one to consider.

## Aspect Areas

The IAF defines the following Aspect Areas:

1. The Business Aspect Area adds knowledge about business objectives, activities, and organizational structure. Key artifacts in this aspect area include Business Goal, Business Service, Business Actor, Logical Business Component, and Physical Business Component. The Rapid Visualization team will identify the process flows and systems interactions that will drive the creation of the business services and components.
2. The Information Aspect Area adds knowledge about the information the business uses, the information structure, and relationships. Key artifacts in this area include Information Object, Business Information Service, and Logical Information Component.
3. The Information System Aspect Area adds knowledge about types of information systems (packaged or bespoke) that can automate and support the processing of the information used by the business. Key artifacts include IS Service, Logical IS Component, and Physical IS Component.

Capgemini views the statewide data center project as an opportunity to assess, design and transform the State's data centers to be more cost effective, efficient, and secure while increasing flexibility, availability, and capacity of the services provided. [REDACTED]

[REDACTED] Under-utilized servers mean that resources are essentially being wasted while the hardware continues to consume costly computing, power, and cooling assets, not to mention specialized IT staffing resources and maintenance cycles.

Faced with the challenge of optimizing server utilization, containing server sprawl, and green IT initiatives, we believe that the State can benefit greatly from server and data center consolidation strategies. Server consolidation will allow the State to reduce the total number of servers or data center sites required to support the business. The green computing movement is also driving consolidation initiatives. In addition, for the State to reduce the environmental impact and overall carbon footprint of their IT operations, consolidation is a logical first step. The cost savings and environmental benefits of consolidation and virtualization are closely aligned.

Typical benefits that Capgemini can offer the State of Washington include:

- Reduced total cost of ownership thru optimization;
- Potential [REDACTED];
- Maximized use of current data center assets and resources;
- Green IT and reduce environmental costs (HVAC, power, and floor space);
- Ability to monitor, report, and analyze in real time and remotely;
- Improved asset utilization via virtual device configuration;
- Reduced support costs and improve SLA/SLO management processes; and,
- Rationalized and optimized infrastructure for maximum agility.

However, there are several potential risks in this type of implementation including:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

The State of Washington is highly dependent upon technology services, and requires capabilities to deliver critical service-levels at an acceptable cost. Capgemini has extensive experience assisting organizations evaluate their technology operations and successfully implementing strategies for cost take-out and efficiency improvements. Our experience coupled with industry leading methods and tools provide an effective mechanism to jump-start this assessment and accelerate the realization of benefits.

Our approach is centered on understanding the critical drivers of effective technology operations and will focus on the following principles to drive results:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

Costs reduction work can best be organized around several threads, including:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- 7. [REDACTED]



We take a holistic view of technology operations and have designed an approach for the State that is focused on an examination of the key dimensions that will drive value while considering the State's future technology direction.

- *The Business of Technology*—A financial and cost view of technology, to understand the key levers that are driving cost.
  - Optimize the global technology investment portfolio and its management.
  - Rationalize the applications and information portfolios.
  - Optimize the technology sourcing and partnership strategy.
  - Harmonize the service catalog and adapt SLAs to real business needs.
- *The Operations of Technology*—An operations view of technology, to understand where efficiencies can be created.
  - Reduce the TCO of existing applications.
  - Optimize infrastructure to reduce operation and support costs.
  - Streamline/mature technology processes and tools capabilities.
- *The Innovation of Technology*—A strategic view of technology, to understand where future opportunities exist and the ability to utilize new and or emerging technology to exploit.
  - Innovation capability.
  - Technology agility.

## 2 Responses to Questions Regarding the Overview

### 2.1 Financial, Legal, and Operational Advantages and Disadvantages

Capgemini views the statewide data center project as an opportunity to assess, design and transform the State of Washington's data centers to be more cost effective, efficient and secure while increasing flexibility, availability and capacity of the services provided. The State can [REDACTED]. Under-utilized servers mean that resources are essentially being wasted while the hardware continues to consume costly computing, power and cooling assets, not to mention specialized IT staffing resources and maintenance cycles.

Faced with the challenge of optimizing server utilization, containing server sprawl and green IT initiatives, we believe that the State can benefit greatly from server and data center consolidation strategies. Server consolidation will allow the State to reduce the total number of servers or data center sites required to support the business. The green computing movement is also driving consolidation initiatives. In addition, for the State to reduce the environmental impact and overall carbon footprint of their IT operations, consolidation is a logical first step. The cost savings and environmental benefits of consolidation and virtualization are closely aligned.

Capgemini believes that the financial, legal, and operation advantages to undertaking this data center consolidation approach far outweigh its downsides. We mentioned several potential impacts earlier (and have restated below) to promote awareness of some of the important aspects that need to be considered for a successful project. In addition, we do not see any telephony issues that cannot be risk mitigated or solved.

Typical benefits that Capgemini can offer the State of Washington include:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

However, they are several potential risks in this type of implementation including:

- [REDACTED]
- [REDACTED]
- [REDACTED]

## 2.2 Unique Aspects of a Centralized Data Center

Capgemini utilizes security and disaster recovery methods in our approach. The implementation of a virtualized data center consolidation approach will enhance the State's capabilities in terms of both security and disaster recovery. From a security point of view:

- Physical infrastructure security resources will be greatly reduced and controlled by the consolidation and elimination of multiple disparate data centers down to a regional pair.
- Logical infrastructure security is also enhanced by the development of standard templates, policies and tools to ensure compliance.
- As a result of separating the compute infrastructure from the physical server layer, Disaster Recovery/Business Continuity capabilities are dramatically more flexible.
- A virtualized environment can enable multi-use of physical infrastructure, thus maximizing utilization and cost reduction. For example, an existing virtualized non-production environment can be quickly repurposed on demand as a production environment in a disaster recovery scenario. This eliminates the need to invest and maintain a seldom-used standby infrastructure.
- Recovery point objective and recovery time objectives can be reduced in a virtual environment that lends itself to automation and self recovery.

A similar detailed effort in design of the architecture, processes, testing, and documentation is still recommended and required. Capgemini utilizes several techniques and frameworks to achieve these requirements.

Capgemini

Our Crisis Management Program promotes a smooth operation for the State's services during a disaster scenario.

## 2.3 Scale of Operation

Capgemini is extremely interested in providing professional services for the State. We believe that there are no specifics to consider a project too small. Capgemini has the capability to assist you with the "Turnkey" Approach to the Statewide Data Center, and many other State initiatives. We believe we have superior expertise and capabilities to manage complex IT transformations and are actively seeking this type of engagement.

For four decades, Capgemini has served the strategic, technological, and operational needs of local and national governments around the world to help them fulfill their missions and drive their transformation agendas. With a global workforce of more than 90,000 employees in 30 countries and annual revenues of \$12 billion, Capgemini is one of the largest providers of consulting, technology, and outsourcing services in the world. A dedicated core team of professionals in Herndon, Virginia, Capgemini Government Solutions was formed in 2002 to offer US Government agencies deep transformation, consulting, and IT expertise.

As a leading provider of services in the public sector, Capgemini understands what is required to accelerate business decision making, increase productivity, improve quality in project delivery, and provide the services vital to effectively managing a program. Accordingly, we've established exceptionally innovative approaches to key management activities that can be applied to any, or all, stages of a program's lifecycle.

Whether our clients are dealing with strategic planning, integrating multiple legacy systems, or implementing a massive business transformation effort, we understand the unique challenges government organizations face. Capgemini Government Solutions has public sector and

commercial experience and qualifications, proven tools and methods for accelerated innovation and collaboration, and the insight to translate experience and our functional and technical expertise into results. We've helped clients such as the US Department of Homeland Security (DHS), the US Department of Defense (DoD), and US Department of Health and Human Services (HHS) implement programs, transform their organizations, and solve some of their toughest issues. Furthermore, we bring experience in the US State and Local market with performance with the States of Georgia and Nevada. **Figure 2-2** demonstrates the breadth and depths of our government services.

**Figure 2-2. Capgemini is an Industry-Recognized Global Public Sector Leader**



*For over four decades, Capgemini has served the strategic, technological, and operational needs of local and national governments around the world to help them fulfill their missions and drive their transformation agendas.*

By partnering with Capgemini, our clients benefit from the well-established leading practices of one of the world's largest management and technology consulting firms. Our attributes are recognized through top industry analyst rankings and ratings.

- Capgemini is a Gartner Magic Quadrant ERP Global Integrator with success implementing more than 6,300 ERP programs globally.

- Recently in 2010, Oracle named Capgemini as an Oracle Platinum Partner (previously Global Certified Advantage Partner). We have been an Oracle partner since 1995.
- SAP has certified Capgemini as a Global RUN SAP Implementation Partner, in 2009. We are one of only three with this global certification that acknowledges our capabilities to promote support across lifecycle design, set-up, operations, and optimization.
- In 2008, VARBusiness Magazine ranked Capgemini as the number six provider of hardware and software services in North America.
- In 2008, InformationWeek named Capgemini to its annual listing, the InformationWeek 500, for the third year in a row. The InformationWeek 500 is an annual ranking of the most innovative users of business technology in the US.

The two leading independent assessors of corporate performance and capabilities, Gartner and Forrester (**Figure 2-3**), have both certified Capgemini as an ERP leader. Capgemini was rated by Gartner, an independent evaluator, as an industry leader in its 2007 Magic Quadrant for ERP Service Providers. The Gartner reports states:

*“Capgemini is long-established in the ERP space. Client satisfaction with project management, industry understanding, and technology capabilities indicate a focus on consistent delivery.”*

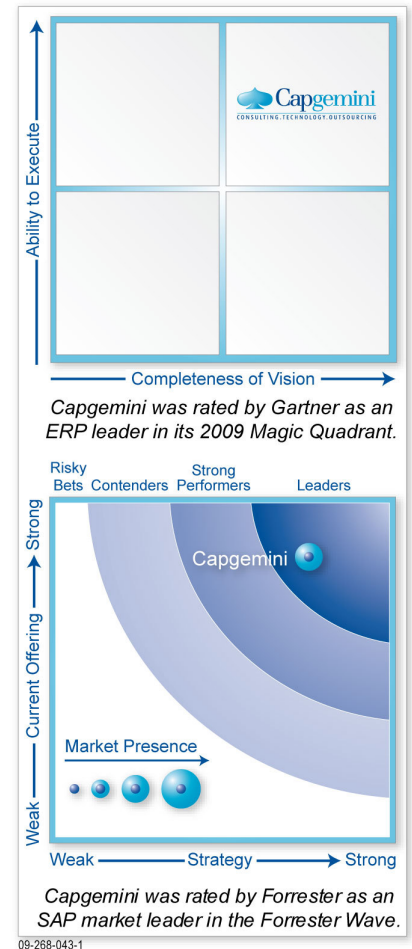
Furthermore, we bring a proven approach to promoting cooperation, teamwork, and information sharing. Capgemini will utilize leading collaboration tools and techniques to address the need for concurrence and alignment among stakeholders. We have successfully facilitated more than 2,000 sessions with 500 clients, including: 52 of the Fortune 100, the US Army, the US Air Force, and the US Department of Homeland Security. Capgemini has the ability to foster open lines of communication between technical developers, functional staff, program executives, and user communities while maintaining objectivity.

Capgemini clients benefit from the leading practices of a consulting firm that meets the unique needs of Government organizations by leveraging decades of commercial and international government experience.

## 2.4 Intellectual Property Considerations

Capgemini will deploy and/or implement the solution for the State on industry standard and recognized best practice methodologies. No specific Capgemini products/services will have any proprietary issues for this project. However, appropriate licenses and/or platforms may be

**Figure 2-3. Capgemini's Top Industry Rankings**



required from specific suppliers to satisfy intellectual property rights. If the goal is to utilize only “open source technology,” Capgemini can minimize the IP/proprietary components. This will be determined via the discovery phase and can be discussed with the State.



### 3 Responses to Questions Regarding the Transition

#### 3.1 Transitional Data Centers

Capgemini would anticipate that a formal transitional architecture and infrastructure would be scoped in the migration plan. We would institute a formal Project Management Office (PMO). The PMO would be staffed with both Capgemini and State of Washington stakeholders. Stakeholders would be identified in the initial assessment based on their roles and skill sets. This would be a collaborative effort between Capgemini and the State. The chart below summarizes the roles and functions of the PMO.

Activities	Work Products / Deliverables
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

#### 3.2 Potential Timeline

Capgemini's initial assessment will be squarely aimed at identifying the size and scope of the engagement. Determining the timeline will be based on the actual number of physical assets that are determined to be slated for consolidation. In addition, Capgemini's utilizes tools that can estimate activities and timelines once the inputs are captured. Depending on the number of agencies that are slated for consolidation, the work effort could range anywhere from six months to three years depending on the State's risk tolerance, resources available, and complexity of applications.

The intent of establishing a PMO is to manage these timelines. For the State project, quality information from across the agencies will provide a key foundation from which judgments, recommendations, and actions are formed. However, timely information that provides a 75% accurate view consistently captured across the agencies will be much more valuable than 100% accurate information requiring months to capture and collate. Furthermore, working with data in its native electronic format can rapidly speed the process over distributing and training on pre-defined data templates.

With this objective, Capgemini uses a six step approach to data collection and analysis. **Figure 3-1** illustrates.

**Figure 3-1. Six-Step Approach to Data Collection and Analysis**



The specific areas of information requirements are:

**1. Vendor Annual Spend**

Using any [REDACTED], we will request current and prior year spending by vendor. [REDACTED] [REDACTED], we will ask for that as well. If by [REDACTED] this will also be requested.

**2. Vendor Contracts, Rates and Commitments**

For vendors [REDACTED]  
[REDACTED]

**3. Site and Facility Information**

We will request a [REDACTED]. We will ask whether the site [REDACTED] and rates. For major facilities (data center, etc.), we will ask for [REDACTED]. For data centers or smaller infrastructure locations, this would include information on [REDACTED].

**4. Infrastructure Components**

For each of the following infrastructure components, we will ask for [REDACTED]  
[REDACTED]. Additionally, we will request [REDACTED] and any [REDACTED]. Finally, we will ask for information on [REDACTED]  
[REDACTED]

- Laptops / Desktops;
- Intel Servers (Rack and Blade);
- Unix Servers;
- Linux Servers;
- Enterprise Storage;
- Network Attached Storage;
- Virtual Tape and other Archiving Equipment; and,
- Storage Area Network Components.

**5. Shared Infrastructure Components:**

We will ask for information for [REDACTED] systems including [REDACTED]. In addition, we will ask for any associated [REDACTED].

**6. Network and Telephony Components:**

For data, fixed voice, and mobile network and telephony components, we will ask for information for [REDACTED] including [REDACTED]. Also, we will request information on [REDACTED] strategies and solutions.

**7. Application Inventory:**

Here, we will ask for an inventory of [REDACTED]. Further, we will seek information regarding the shared or dedicated infrastructure used [REDACTED]. Lastly, we will request information on the [REDACTED] requirements.

**8. Vendor System Software and Tools:**

We will seek descriptions on how each of the [REDACTED] are used. For example, [REDACTED].

**9. Internal Performance Reports:**

These reports would include the [REDACTED] performance reports showing statistics and information on activities [REDACTED]. Also, [REDACTED].

#### **10. Business Stakeholder Meeting Minutes:**

These reports would typically be used for monthly or quarterly reviews with the internal customers for technology services and support.

#### **11. Internal and External Audit Reports:**

These reports would include internal audit reviews along with any internal QMS type reviews or external SAS-70 or similar type reviews.

#### **12. State and Agency Initiatives and Project Schedules:**

We will request information on material business initiatives for [REDACTED], and similar. We will also seek an inventory of the current projects with brief description, schedules and status.

#### **13. Operational Process Operations and Descriptions:**

We will ask for information on process flows and tools used for [REDACTED] other operational processes.

#### **14. Labor Size and Expense Information:**

We will seek a [REDACTED] with [REDACTED]. Additionally, we will ask for descriptions of the [REDACTED]. We will also seek similar [REDACTED]rs, such as number of [REDACTED].

#### **15. Technology Architecture:**

We will ask for information on architecture standards used for [REDACTED].

#### **16. Third Party Support Services:**

We will request an inventory of any third party support providers used for technology services [REDACTED].

#### **17. Network Security:**

We will want information on how to [REDACTED].

This list of information requirements is meant to be exhaustive, depending on the needs of the project as it unfolds. Capgemini will work with the State to determine data cultivation requirements during contract finalization.

### 3.3 Integration of Legacy Systems and Mainframe Operations

Capgemini envisions the project will have multiple groups that are focused on the existing infrastructure, the transitional infrastructure, and the final infrastructure. These groups will need to coexist during the migration phases. The PMO will be responsible for formulating a plan to integrate these phases with specific timelines to ensure that proper transition and conditions are in place to minimize disruption and optimize the final target architecture.

Capgemini utilizes views the solution holistically. This allows us to incorporate multiple strategies and solutions within the architecture. Capgemini's point of view regarding cloud technologies is as follows.

[REDACTED]

In addition, the increase in Internet connection speeds has enabled larger amounts of content to be sent to distant locations at low cost. Now, for many organizations, Cloud Computing and Cloud Services are viable and attractive options.

#### Defining Cloud

In simple terms, Cloud could be described as delivering IT services on a subscription basis that can be accessed from any Internet connection and offering customers the benefit of economies of scale. There are five key attributes that define Cloud:

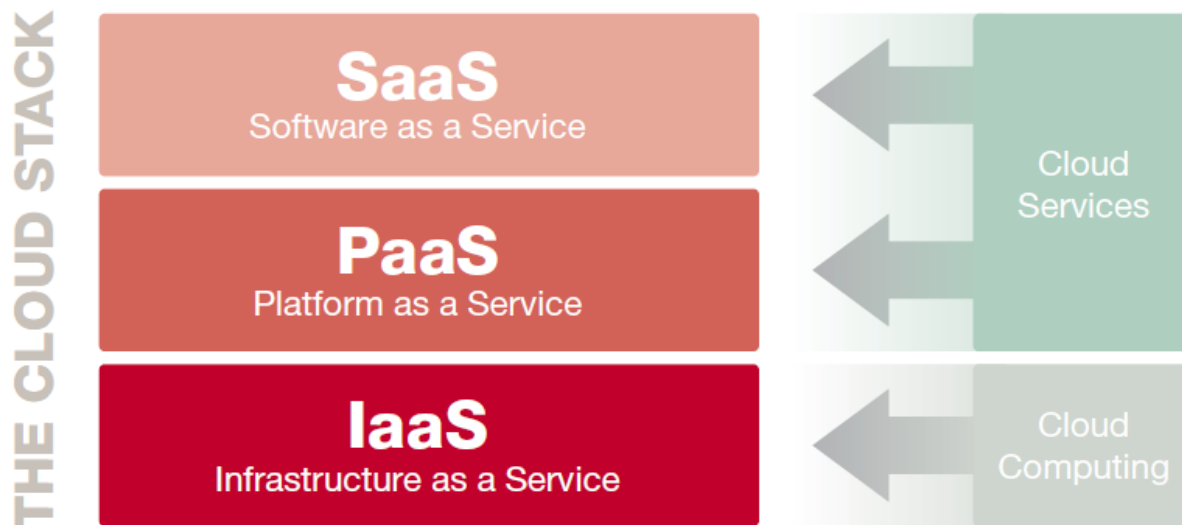
[REDACTED]

#### Available Cloud Services

There are a wide range of Cloud Computing and Cloud Services options available, from very simple consumer applications such as Twitter or Google Mail, to the full range of business applications including CRM, ERP, and HR solutions. Because of this wide range of options, organizations can adopt Cloud across their entire IT landscape.

To assist in trying to categorize these services, Cloud has been sub-divided in to three levels that constitute "The Cloud Stack"—from visible software to the platform on which software runs to the often invisible infrastructure (see **Figure 3-2**). These can be chosen by users as individual services (e.g., a piece of software) or combined to form a fully Cloud-enabled environment.

**Figure 3-2. The Building Blocks of Cloud**



- **Software-as-a-Service—SaaS.** Corporations access applications over a network. These applications, though shared between many customers, are tailored to each client’s needs and priorities. The focus being on tailoring the service to the client’s needs rather than the service being tailored to the technology. SaaS, like the other Cloud Services, is being adopted to avoid large-scale capital expenditure, to provide the ability for an agile and rapid deployment and to pay only for what is needed, when it is needed. It is best used when [REDACTED].
- **Platform-as-a-Service—PaaS.** Corporations use virtual software development environments to create and then run their own applications on the Cloud. PaaS is particularly beneficial, again for many of the reasons above. However, its other major advantage is the ability for a CIO to provide a consolidated “store” for development. In many organizations, small departmental solutions such as access databases and Excel solutions are deployed “under the radar” of the CIO and the IT department. In addition, many IT departments are simply unable to service the seemingly never-ending number of business requests. By providing a development service where costs can be controlled and managed, an IT department can provide the organization with a development environment that can then be monitored and controlled. Then, as and when appropriate, some of these applications could be transferred to a SaaS solution or incorporated in an existing software solution.
- **Infrastructure-as-a-Service—IaaS (or Cloud Computing).** Corporations access shared processing, network, storage and other fundamental computing resources, and these capabilities are offered like a commodity over the Internet. IaaS is attractive in many instances, including when large amounts of compute power are required for short periods with little notice, or for temporary project environments. In addition, many organizations have huge amounts of archived data stored or backed up to expensive, dedicated systems (whether in-house or outsourced).

## Understanding Which IaaS Cloud Computing Architecture is Right For You

It is important to carefully consider the right environment as part of any infrastructure upgrade. There are three different models, through which Cloud Computing is provided to the customer:

- **Public Cloud.** Resources are shared and sold over the Internet among all clients, who share the same mega-scale infrastructure. Users can purchase a virtual computer and pay by the minute; they have no knowledge of the computer's physical location, the hardware that runs it, or the other users that share the hardware they are using. Google, Salesforce.com, and Amazon are probably the best-known providers of services delivered over the public Cloud. [REDACTED]

[REDACTED] key success factors.

- **Private Cloud.** Resources are operated solely for an organization although they are as flexible as in the public Cloud example above. This usually takes the form of a third-party hosting provider selling Cloud Services.

In this model, the user knows the location of the hardware and sets the access rights and security policies; purchases the computing capacity on a flexible by-the-minute or by-the-megabyte basis, and can scale requirements up or down. [REDACTED]

A slight modification of this model is the Community Cloud, where a group of organizations who agree on common parameters and membership share a private Cloud.

- **Hybrid Cloud.** Mixing different Clouds, typically to adjust the level of service and security between different applications. An example of this could be using a private Cloud for highly sensitive mission-critical applications and placing less-sensitive applications on a public or community Cloud. The hybrid Cloud will become the [REDACTED]

## What Benefits Does the Cloud Computing Model Bring?

Cloud Computing is driving an unprecedented shift in the way IT and the wider organization work together. If harnessed properly, it can enable the customers of the IT department to focus on delivering business outcomes using resources that are easily varied, customizable and scalable.

While most of the industry has been built on [REDACTED]

[REDACTED]. This change in business model will affect all parties, but, in particular, [REDACTED]

[REDACTED]. By radically changing an organization's

infrastructure, Cloud can help organizations bring new products and new markets to consumers faster, shorten time-to-market, lower TCO, and enable a better user experience.

At its core, Cloud offers standardization, flexibility, and business model innovation, changing the competitive landscape within an industry and lowering barriers to new entrants on a global scale. For example, setting up the infrastructure required to launch a new business is easy with Cloud Computing—all that is needed is a fast, stable Internet connection and you can have a full suite of business services almost instantly. More risk can be taken, owing to lower cost, and as the business case need not be as rigorous, this unleashes the power of innovation.

Cloud Computing can speed up transformation and performance gaps that require support from IT services. Therefore, Cloud Computing may allow for rapid corporation reconfiguration at times when companies need to be able to adapt their organizations and delivery models globally to meet market evolutions and change. For example, launching a new website for a product, for which demand is not yet known, can be done very quickly and cheaply using Cloud, thus reducing the usual product-to-market cycle time.

Cloud Computing can significantly reduce IT costs by providing access to an on-demand pool of shared resources, providing significant economies of scale. Furthermore, the pay-per-use model lowers the initial investment and the associated CAPEX and reduces the risk of over-investment. For example, most traditional compute environments are built to handle peak demand. Cloud allows the peaks to be purchased on-demand, with only the time or capacity actually used being charged for. Due to Cloud elasticity and automatic scaling, it offers an optimal user experience with minimal impact on infrastructure, and no loss of performance if a site is visited often.

For example, this can help ensure no service degradation during busy peak periods. Security is often raised as a concern when discussing the adoption of Cloud Computing. The Cloud providers' business is dependent on good security, as any failure could lead to loss of confidence and customers en-masse. As a result, the security access and data protection measures in place with Cloud providers typically far exceed those measures that a single company could deploy.

These benefits clearly imply changes to the business models and relationships that organizations have with their outsourcing partners. Where it is critical that the business is in full control of application and data location, and the physical ability to access hardware and strict SLAs, it is likely that traditional outsourcing models will continue to play a strong role in providing these services more cost-effectively than on-premise solutions.

However, two things are likely to change. First of all, if the business is able to separate out applications and data that do not have the strict requirements described above, they can take advantage of the cost benefits available from moving some applications and/or data to the Cloud. Secondly, outsourcing providers will increasingly be prepared to adopt some of the utility-charging characteristics as Cloud Services, allowing greater flexibility in OPEX.

### 3.4 Purchasing and Technology Decisions

Capgemini utilizes the Infrastructure Design Framework for aiding with technology decisions. Capgemini can work within the constraints of existing infrastructure as well as decisions that are pending. A further exploration of product and catalogues are typically integrated into our assessment process. An IT governance policy would be suggested during the duration of the project which could span multiple years depending on the complexity. This process would be to

limit or require rationalization of specific procurements and their short and long term implications to the overall project. **Figure 3-3** demonstrates IDF's phases and outputs.

**Figure 3-3. Infrastructure Design Framework (IDF) Phases and Outputs**



## 4 Response to the Financial Discussion

### 4.1 Unique Financial Models

There are several financial models that can be explored to maximize taxpayer value. The consolidation effort will offer the opportunity to examine leasing, utility based pricing, shared services in both private, public, and hybrid cloud hosted environments for services, infrastructure, software, and any other related IT costs. Both a Capital Expenditure (CAPEX) and Operating Expenditure (OPEX) models can be explored, and it is likely that there will a mix of both depending on the specific environment. Capgemini will be able to provide greater insight of these models upon completion of the initial strategy and roadmap development.

## 5 Cost and Schedule Estimates

Capgemini anticipates this initial assessment to be a [REDACTED] engagement, and perhaps longer. The length and scope could be [REDACTED] included. Our project team typically consists of [REDACTED] resources with a full complement of expertise to assess the various aspects of the IT operations and organization. The typical price for an initial assessment ranges from [REDACTED]

## 6 Corporate Expertise

### 6.1 Company Background

For four decades, Capgemini has served the strategic, technological, and operational needs of local and national governments around the world to help them fulfill their missions and drive their transformation agendas. With a global workforce of more than 90,000 employees in 30 countries and annual revenues of \$12 billion, Capgemini is one of the largest providers of consulting, technology, and outsourcing services in the world. A dedicated core team of professionals in Herndon, Virginia, Capgemini Government Solutions was formed in 2002 to offer US Government agencies deep transformation, consulting, and IT expertise.

As a leading provider of services in the public sector, Capgemini understands what is required to accelerate business decision making, increase productivity, improve quality in project delivery, and provide the services vital to effectively managing a program. Accordingly, we've established exceptionally innovative approaches to key management activities that can be applied to any, or all, stages of a program's lifecycle.

Whether our clients are dealing with strategic planning, integrating multiple legacy systems, or implementing a massive business transformation effort, we understand the unique challenges government organizations face. Capgemini Government Solutions has public sector and commercial experience and qualifications, proven tools and methods for accelerated innovation and collaboration, and the insight to translate experience and our functional and technical expertise into results. We've helped clients such as the US Department of Homeland Security (DHS), the US Department of Defense (DoD), and US Department of Health and Human Services (HHS) implement programs, transform their organizations, and solve some of their toughest issues. Furthermore, we bring experience in the US State and Local market with performance with the States of Georgia and Nevada.

#### **Our Mission: Enabling Transformation**

**Transformation**—high impact change to fundamentally alter market position – is essential to meet the challenges of today's complex, rapidly evolving global economy.

Our mission is to empower our clients to respond faster and more intuitively to changing market dynamics. We enable them to become more agile and competitive through leveraging new technologies.

The seamless collaboration of our consultants, IT specialists and outsourcing experts forms the backbone of our unique approach, creating truly integrated services.

#### **Our Vision: Enabling Freedom**

Our clients are operating in a complex environment, often under huge constraints and pressures which limit their freedom. We believe in sharing our own freedom – independence from software editors and hardware manufacturers, entrepreneurial spirit, values and creativity – with our clients.

We have the know-how, spirit and capabilities to give our clients the tools to steer their own course, and ultimately to achieve better, faster and more lasting transformation.

What also sets us apart is the way we work together—with each other, with our partners and with our clients. We call our approach the Collaborative Business Experience®—it’s at the heart of our every interaction and is how we forge closer, more effective relationships.

### **Diversity and Inclusion—Our Strategic Advantage**

At Capgemini, we see the true opportunity to be realized from our commitment to Diversity & Inclusion is capitalizing on the value of “diversity of thought.” By acknowledging, embracing and nurturing the strengths, perspectives and passions of every member of the Capgemini team, we create a culture where everyone contributes, everyone is committed and everyone counts.

Our journey starts with our commitment to Diversity & Inclusion made at our Leadership levels and extends throughout our organization. It is evidenced by our ongoing commitment to our Women’s Initiative, the Women’s Leadership Development Program, our thriving North America Diversity Council and our North America Mentoring Program. Our vibrant Employee Resource Groups, representing our employees at all levels, contribute to unfolding and telling our Diversity & Inclusion story. As we’ve grown, employees trust that their voices will be heard, that they are free to be included and are responsible for generating their inclusion. Our commitment to inclusion has become an engine for creativity, innovation and growth and continues to evolve, propelling Capgemini to be an employer that attracts top talent to join our company.

In 2010, Capgemini North America took another step toward further integrating Diversity & Inclusion into our business strategy as the topic was elevated to a strategic priority for the organization. Part of our CEO agenda, Diversity & Inclusion is viewed as fundamental to our own transformation and essential to our growth ambitions. “D&I is our DNA” serves as the theme that compels us toward becoming a culture that not only welcomes diversity but is more powerful because of the ways in which we leverage it.

### **Capgemini History**

Founded in 1967, Capgemini is one of the five largest management and IT consulting companies in the world. The company’s increasing international profile and the steady expansion of its offering portfolio are the result of a highly-effective and successful growth strategy.

In the 1990s, Capgemini built a quality management consulting practice, partly through the acquisition of United Research (1990) and the Mac Group (1991) in the US and Gruber Titze and Partners (1993) and Bossard (1997) in Europe. The acquisition of Ernst & Young Consulting in 2000 tripled the size of Capgemini’s operations in North America--the world’s leading market for IT services--and strengthened the company’s position in Europe as well.

Capgemini U.S. LLC is a member of the Capgemini worldwide organization. The acquisition of the Ernst & Young consulting practice, and more recently Kanbay (February 2007), has strengthened the company’s worldwide positions, in particular, fully establishing itself in the United States, which now accounts for approximately 25% of its overall business. The size of the U.S. practice allows Capgemini U.S. to maintain the intimacy and flexibility of a smaller firm while leveraging the resources of the Capgemini Group on behalf our clients.

### **Capgemini Group Financials**

A three-year summary of the financial results of the Capgemini Group follows in **Figure 6-1**.

**Figure 6-1. Capgemini Annual Financials**

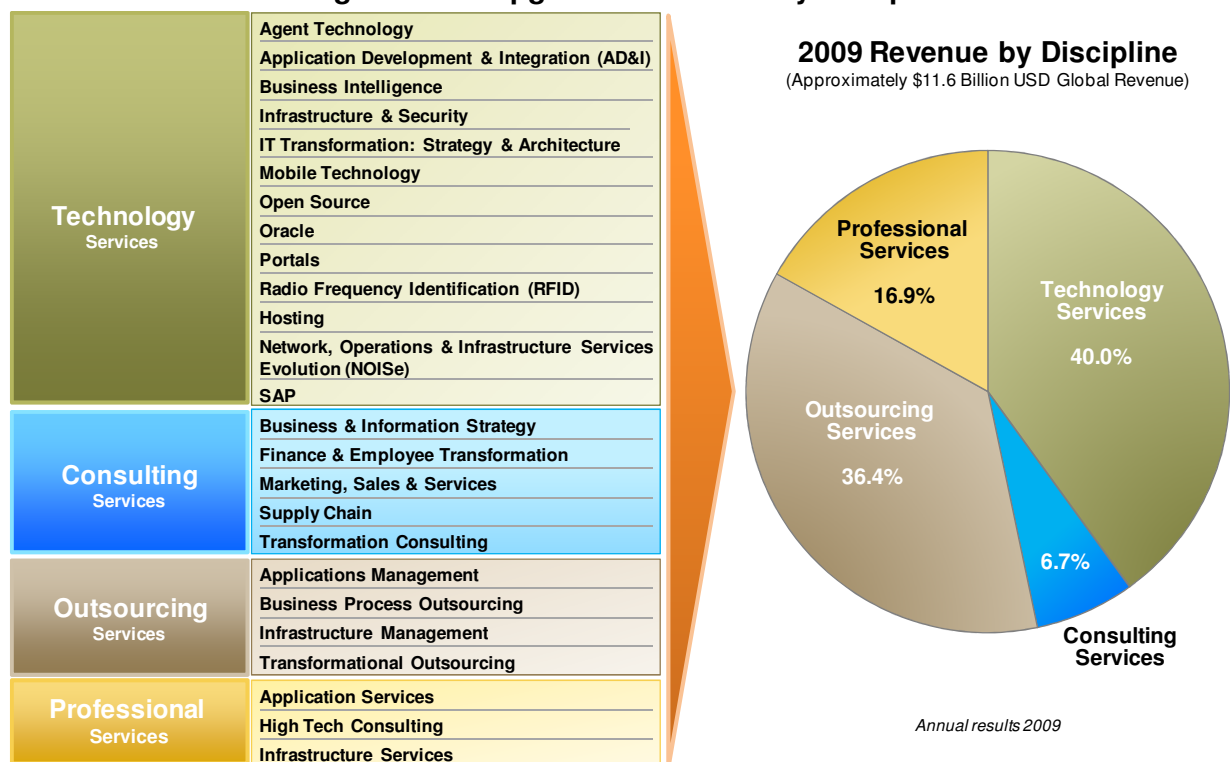
Capgemini Group	2007	2008	2009
Revenues (m€)	8,703	8,710	8,371
Operating Income (m€)	493	586	333
Net Cash (m€)	889	774	1,269

The Capgemini Group posted consolidated revenue of €2,052 million for Q1 of 2010.

## Our Services

Capgemini is structured to meet the growing needs of Capgemini clients worldwide. We build on our unique attributes and strengths—a strong multi-cultural heritage, a spirit of independence, innovative solutions, industry experience and collaborative style—to be an original global market leader. Our constant aim is to remain that leader with a reputation for quality disciplines: Consulting, Technology, Outsourcing, and Professional Services. **Figure 6-2** illustrates.

**Figure 6-2. Capgemini Revenues by Discipline**



## Consulting Services

Capgemini provides consulting services that contribute to the business transformation and economic performance of organizations, based on in-depth knowledge of client industries and processes. We look holistically at our client's organization and the market in which it operates, to determine both short-term and long-term strategies for growth. Capgemini's collaborative approach to our clients' issues is enhanced when we are able to create a joint vision of the business together.

## Technology Services

Capgemini designs and integrates technology solutions, creates innovation and transforms clients' technical environments. These services focus on systems architecture, integration and infrastructure. They are closely allied with consulting services in cases where upgrading and transforming IT systems are directly tied to the clients' organizational and strategic priorities. Capgemini collaborates with strategic alliance partners to help address our clients' issues.

## Outsourcing Services

Capgemini provides both Business Process and IT Outsourcing Services. We manage and improve non-core functions - such as Finance & Accounting, Procurement and IT-enabling our clients to focus on their strategic agenda. Underpinned by our collaborative approach, Capgemini provides a comprehensive solution portfolio that is flexible to support our clients' identified business needs.

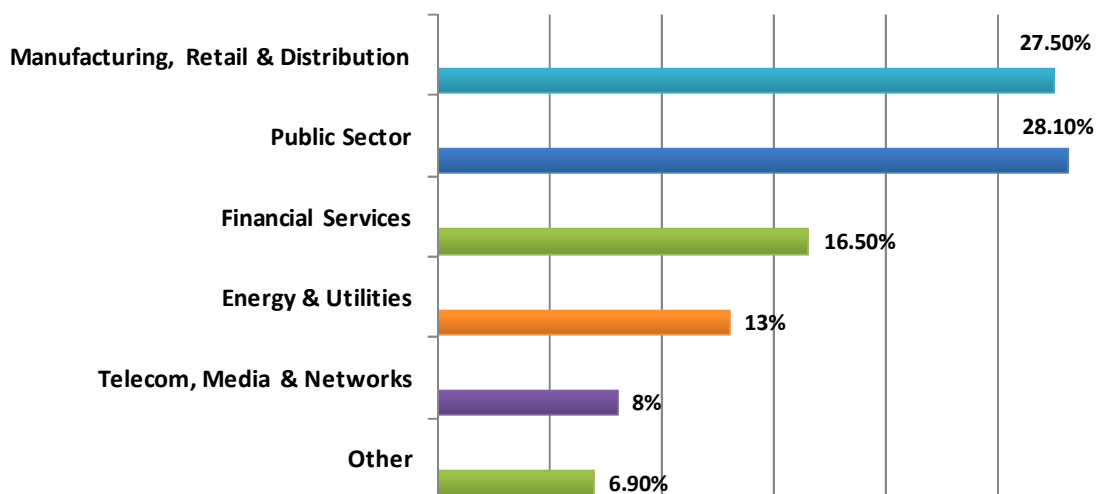
## Local Professional Services

These services, offered through our Sogeti/Transiciel business units, are made available in the close proximity to the local technology facilities of large organizations. They supplement the internal capabilities of IT departments by providing quality resources to support client needs.

## Expertise in Key Industries

Capgemini focuses on several key industries and has established significant experience to meet client needs worldwide. A breakdown of the Capgemini Group's FY 2009 revenue by industry sector appears in **Figure 6-3**.

**Figure 6-3. Capgemini Group FY2009 Revenue Breakdown**



The Global Sector mission covers three major axes:

- **Industry Leadership:** Delivering and demonstrating value by integrating industry knowledge and functional capabilities into markets and geographies and leveraging our partners' capabilities.

- **Business Development:** Creating and supporting trend setting deals in the sector accounts by developing thought leadership, high quality experience and innovative solutions.
- **Global Account Management:** Building global relationships with each client by coordinating client interactions and managing the client as a single account across disciplines and countries worldwide.

World-class competencies are brought into play through:

- Industry-specific solutions
- Cross-industry solutions
- Solutions on the basis of industry consortia
- Eco system partners solutions

We understand that, like each client, you are unique, with your own products, services and specific needs. However, the aggregate knowledge and experiences from these industries will be leveraged to provide the team, and design the strategy to address your identified business requirements. You benefit from the in-depth proven experience that is then tailored for your needs.

### Recent Awards and Honors

The Capgemini Group was ranked #7 worldwide for IT Services based on 2008 revenue in Gartner's recent IT Services market share report. Capgemini also showed the second highest growth of the Top 10 global System Integrators.

**Figure 6-4. Gartner: Worldwide Top 20 IT Services Vendors by IT Services Revenue, 2008 (Millions of Dollars)**

Vendor	2007	2008	AGR (%)	2007 Share (%)	2008 Share (%)
IBM	54,145	58,891	8.8	7.3	7.3
HP	37,866	38,584	1.9	5.1	4.8
Accenture	20,616	23,732	15.1	2.8	2.9
Fujitsu	18,646	20,432	9.6	2.5	2.5
CSC	16,059	17,112	6.6	2.2	2.1
Lockheed Martin	11,957	13,077	9.4	1.6	1.6
<b>Capgemini</b>	<b>11,355</b>	<b>12,746</b>	<b>12.2</b>	<b>1.5</b>	<b>1.6</b>
Hitachi	9,635	11,111	15.3	1.3	1.4
NEC	9,288	10,657	14.7	1.2	1.3
Northrop Grumman	9,820	10,382	5.7	1.3	1.3
SAIC	9,146	10,070	10.1	1.2	1.2
NTT Data	8,167	9,504	16.4	1.1	1.2
ADP	8,313	9,019	8.5	1.1	1.1
T-Systems	8,419	8,634	2.5	1.1	1.1

Vendor	2007	2008	AGR (%)	2007 Share (%)	2008 Share (%)
Atos Origin	7,105	8,018	12.8	1	1
Siemens IT Solutions and Services	7,337	7,792	6.2	1	1

*Source: Gartner (May 2009)*

The following additional third-party endorsements support Capgemini's impressive work in the U.S. \$2.5 billion professional services market:

- Capgemini North America was recognized as a Leading Technology and Consulting Company by a number of industry organizations, including the publications CRM, InformationWeek and VARBusiness.
- Energy Future Holdings (ex TXU) awarded its 2008 Gold Star Award to Capgemini for "its commitment to supplier diversity" and for the development and utilization of businesses owned by minorities and women.
- Capgemini North America was North Texas Commission Mentor/Entrepreneur Outstanding Match Award Recipient (Multi-Year) for its commitment to supplier diversity.
- Capgemini was ranked the #1 Global Outsourcing vendor by the Black Book of Outsourcing Top 50 for 2004 to 2007
- Gartner states that Capgemini's industry penetration in the markets in which it competes, its interest in and commitment toward leading-edge technology, and its existing client relationships provide a continuing foundation for consulting service success in ERP, particularly Oracle and SAP.
- Capgemini clients cite the ERP methodology as complementary to consensus building, which highlights the often overlooked "soft" skills of consultants in cultural adaptability, partnering and commitment toward the project.
- Capgemini clients cite satisfaction with project management, staff reliability and technology capabilities, which indicates a focus on consistent delivery.
- "Capgemini remains the best managed IT services company in our universe in our view . . ." Standard & Poor's Equity Research (S&P)
- #2 ranking in the "Top 100 Global Outsourcers" and #5 in the "Top 30 BPO Providers" by the International Association of Outsourcing Professionals (IAOP)
- #7 listing on the VAR Business 500 of the largest value-added resellers in the technology domain just released (2007)
- A top 50 listing in the annual Software 500 (2007)
- Numerous alliance awards for excellence, including the IBM Beacon Award, Microsoft Custom Development Solutions/Sales & Marketing Partner of the Year, SAP Pinnacle Award for Industry Innovation, Oracle Business Alliance Partner of the Year and HP System Integrator Partner of the Year



- Ranking in the annual Financial Post 500, a ranking of the largest companies in Canada by revenue.
- Capgemini Government Solutions LLC was named Solution Provider of the Year by Government VAR magazine
- One of the “Top 50 Places to Launch a Career” by Business Week
- Positioned as a “leader” among global Oracle Implementation Providers for 2008 by Forrester, Inc.
- Positioned in the leaders quadrant for CRM Service Providers, North America for 2008 by Gartner, Inc.
- Positioned in the leaders quadrant for ERP Service Providers, North America for 2008 by Gartner, Inc.
- One of the Top 25 Companies in Financial Technology by American Banker
- #2 ranking in Finance & Accounting (F&A) outsourcing by FAO Research
- Numerous alliance awards for excellence, including IBM Beacon Award, Microsoft Custom Development Solutions/Sales & Marketing Partner of the Year, SAP Pinnacle Award for Industry Innovation, Oracle Business Alliance Partner of the Year and HP System Integrator Partner of the Year
- September 2007 - CRM Magazine named Capgemini a "Market Leader" in providing Customer Relationship Management expertise.
- September 2007 - Lauded as an innovative leader, Capgemini jumped into the top half of the pack of the InformationWeek 500, ranked 248 in this year's survey
- June 2007 - Capgemini has been ranked #2 in the 'Top 50 Best Managed Outsourcing Vendors,' an annual comparison of the world's most distinguished outsourcing services providers included in the latest edition of The Black Book of Outsourcing.
- Our award-winning solutions were recognized twice in the same year by IBM, including recognition as the “Rational Most Valuable Business Partner”
- Our NA clients R.L. Polk, Hydro Quebec and Bell South were named Computerworld Honors Program winners in 2006 & 2007
- Constituent of the FTSE4 Good Index Series – globally recognized corporate responsibility standard
- June 11, 2007 - Capgemini has been selected a finalist for Microsoft Corporation's 2007 Worldwide Partner Awards.

### **The Collaborative Business Experience®**

Capgemini has a unique way of working with clients, called the Collaborative Business Experience. Backed by over three decades of industry and service experience, the Collaborative Business Experience is designed to help our clients achieve better, faster, more sustainable

results through seamless access to our network of leading technology partners and collaboration-focused methods and tools.

Through commitment to mutual success and the achievement of tangible value, we help businesses implement growth strategies, leverage technology, and thrive through the power of collaboration. With Capgemini at your side, your business will gain the freedom to overcome constraints, seize opportunities and realize its potential. The preferable way for us to work for you is to work with you. The Collaborative Business Experience helps you define the rules of the game, rather than be limited by them.

### **Finding Unique Solutions Together**

Collaboration is central to the Capgemini philosophy and a pillar of our service delivery. From strategy development through to implementation, the State of Washington will benefit from our tailored approach. We will work beside you every step of the way to guide you through your transformation.

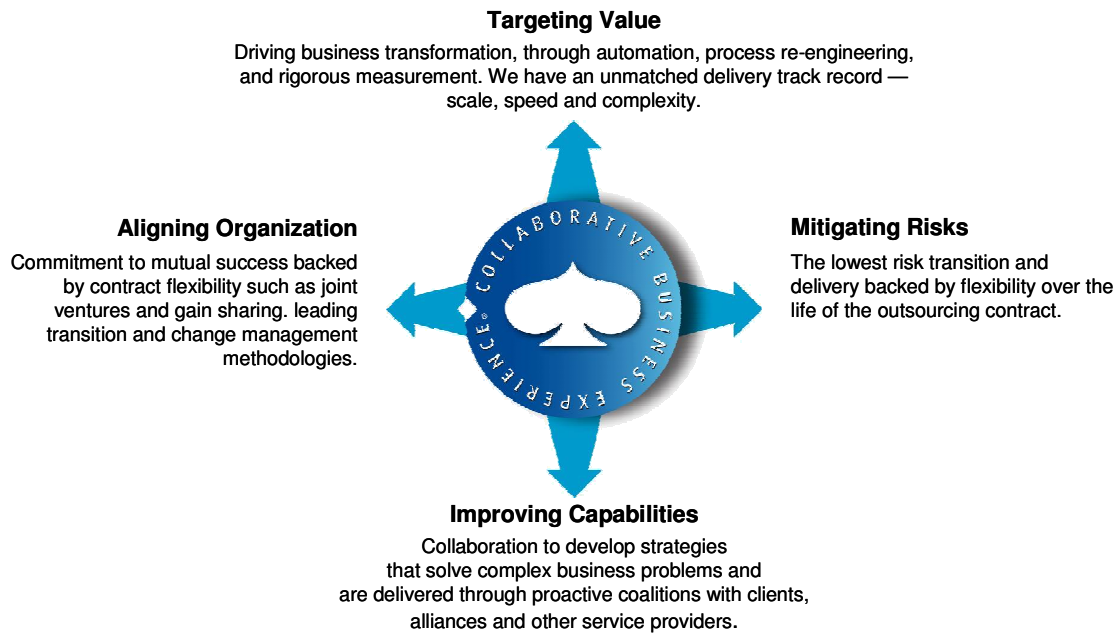
Our collaborative tools and methodologies give the State of Washington the freedom to transform and overcome resistance to change. We channel the expertise of our leading technology partners, putting the appropriate tools in the hands of your teams.

Guided by the four dimensions of collaboration, we target value, mitigate risk, enhance capabilities, and align the organization to achieve the identified objective.

### **Collaboration in Action**

Capgemini is the partner of choice for leading businesses across all sectors. Through extensive market research and the experience that comes from working with thousands of companies over the past three decades, Capgemini has identified four key elements of collaboration. Capgemini uses a methodology that is able to quantify and qualify all four dimensions, allowing us to assess how to collaborate with our clients to achieve better, faster, and more sustainable results. **Figure 6-5** demonstrates.

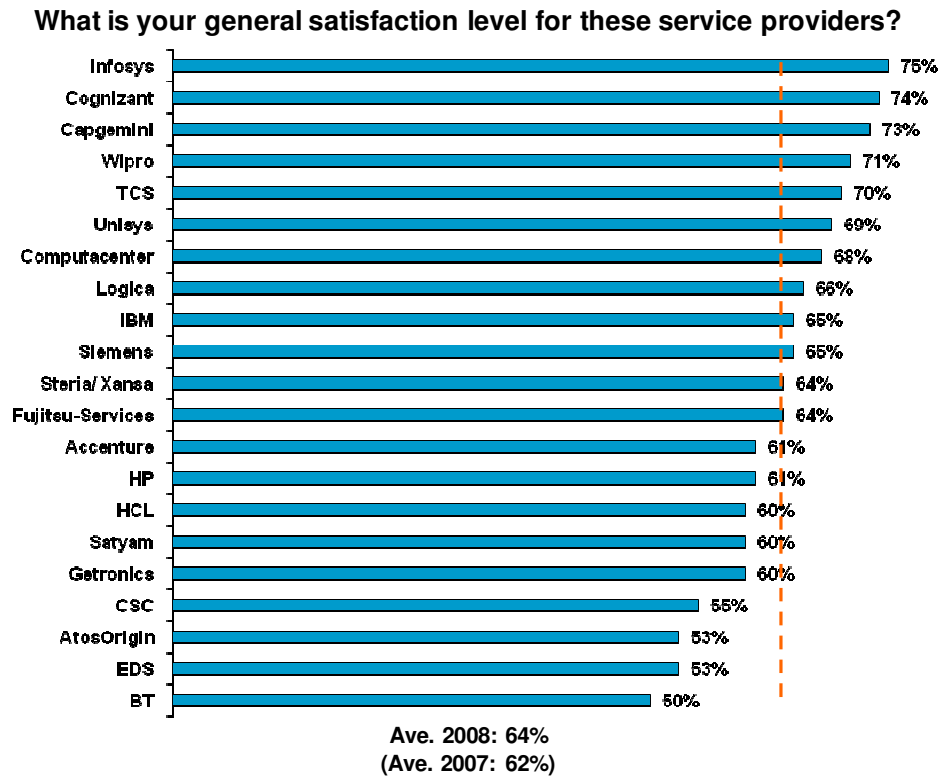
**Figure 6-5. Collaboration in Action**



### General Satisfaction Level

According to the research carried out by sourcing consultancy Equaterra, for the year 2008, Capgemini stands 3rd in general satisfaction for IT outsourcing services globally. **Figure 6-6** illustrates.

**Figure 6-6. Satisfaction Levels**

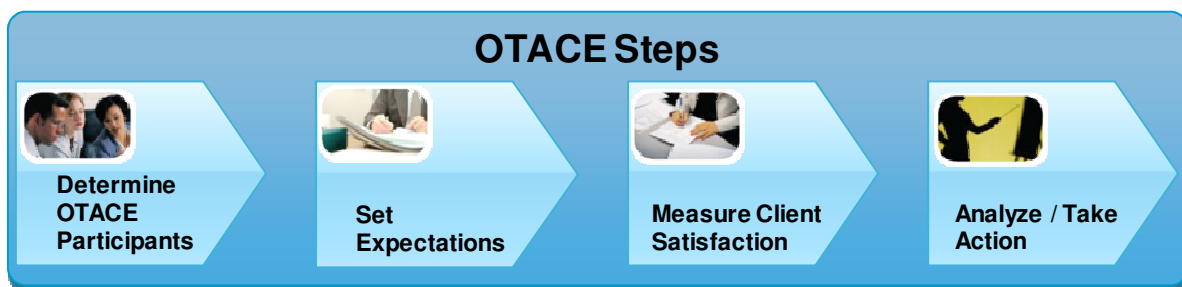


### On Time At Client Expectations (OTACE)

Capgemini desires to achieve a high level of client satisfaction. To accomplish this objective, the organization has put in place a worldwide program that is used to document and measure client satisfaction. This program is to assess and enhance the quality of our work and our client relationship.

To manage quality performance, Capgemini has developed a client satisfaction measurement process for Capgemini's internal use, called OTACE<sup>SM</sup>.

OTACE is a feedback program where clients can communicate expectations before an engagement and evaluate our performance throughout the project duration. OTACE enables Capgemini to thoroughly understand and document client expectations. Throughout the engagement, we can address areas where we may not be meeting client expectations in a timely manner and will closely monitor the impact of those corrective actions.



OTACE entails two types of client interaction:

- **Setting Expectations:** A Capgemini representative meets with a client representative during the planning phase or at the beginning of the engagement. The client is introduced to our OTACE process and is asked to select between three and five expectation criteria. These criteria can be selected from the 'Standard Expectations' contained in the standard OTACE survey, or they can be specifically defined for the engagement. A weight of one to five is assigned to each criterion. The client chooses a date for a future meeting to review performance, generally within the next three to six months. The OTACE information – with criteria, weights and date of discussion – is recorded.
- **Measuring Satisfaction:** On the agreed-upon date, the Capgemini representative meets with the client to review performance. Performance is rated for each pre-selected criterion and the Capgemini representative presents the results. Criteria earning a rating below three will warrant additional discussions scheduled by the Capgemini executive(s) to discuss opportunities for improvement. This process continues throughout the life of the engagement, at times mutually agreed upon by the client and Capgemini, generally every three months.

### Quality Advisory Review

The Quality Advisor/Risk and Delivery Management Process assist Capgemini in identifying, evaluating and monitoring risks and quality so that our clients are provided with quality deliverables and work products.

The review process consists of a structured review of the methods, processes, deliverables and efforts of multiple project teams associated with meeting project objectives. The process has two components.

First, the project team conducts a structured review of the project's methods, processes, deliverables and related activities impacting the outcome and objectives of the project. This review is documented on a risk assessment form and provides input into a formal quality assessment.

Second, a senior Capgemini delivery executive assigned to the project (but not otherwise involved in the day-to-day matters of the project or account) conducts a formal quality assessment review periodically. That Quality Advisor is usually a subject matter specialist who visits on site at least quarterly to review project activities and interview project and client personnel. A formal report is prepared and delivered both verbally and in writing to the project sponsor.

The Quality Advisory Process review is conducted in a manner that promotes open dialogue, critical analysis and collaborative risk mitigation action plans. A successful review is one with independent and objective opinions that can further promote the success of projects.

Project reviews are focused on the project as a whole but can also be applied to significant sub-projects if the need arises. These reviews appear in the following forms:

- Project Governance reviews;
- Milestone reviews;

- Conclusion reviews.

Quality advisory objectives:

- Provide an independent assessment of the project processes (from both the business process and technical process perspectives) used by the project team to facilitate \*CLIENT NAME - SHORT\* delivery of a successful project;
- Reviews client's participation and organizational readiness for a successful transfer of the solution, including:
  - Client recognition of business value of using Capgemini;
  - Completeness of project and quality plans;
  - Effective program, resource, financials, and productivity management;
  - Fulfillment to-date of contracted client requirements;
  - Effective engagement knowledge management and knowledge transfer to client;
  - Level of client commitment to fairly managing change.
- Recommend/agree on corrective strategies to deal with issues identified during the assessment, which, if left unchecked, could undermine the likelihood of success;
- Help the project team anticipate and reduce the occurrence of any situation that:
  - Reduces project value;
  - Reduces the effectiveness and efficiency of their work;
  - Compromises the team's ability to meet stakeholder needs and requirements;
  - Creates the need for rework during or at the end of the project;
  - Limits the team's ability to properly manage scope and control change;
  - Ineffectively deploys team resources.

Our comprehensive approach to quality delivery management integrates our work methodology and work plan, as well as the measures needed to promote quality. The following elements are key:

- Our methodology includes the development of a documented quality management plan that forms part of the project charter/governance plan;
- Our methodology and work plan templates encompass quality management principles, activities and duties.
- The client takes part in our quality management process;
- Our quality management approach focuses on prevention while including quality as an integral part of the project and management processes;
- Quality is measured by means of an ongoing evaluation of offerings (deliverables, work products and components) and project management processes.

The project management evaluation covers project and communications plans, problem, scope and risk management, as well as knowledge coordination and transfer. In addition to meetings with team members, the evaluation includes a review of work documents, project management tools and the primary deliverables. As well, meetings are held regularly with the client project manager and with senior management members in charge of the project. These meetings help us better gauge the client's level of satisfaction with progress to date, identify corrective measures as needed and pinpoint risks that deserve special attention. This protocol also gives the client an additional channel for communicating with Capgemini's North American management team.

## 6.2 Past Performance Vignettes

Capgemini has delivered several IT assessments that have resulted in significant cost savings to our customers. These engagements have ranged in size and scope depending on the complexity of the project. In some instances the information was used by the organization for their internal teams to execute the roadmap and technology plan. In other engagements, system integrators (including Capgemini) were utilized to execute the plan. In addition, a mix of internal resources and outside system integrators were used for some of our clients.

The following subsections validate the breadth and depth of our skills, and demonstrate our offering to the State of Washington:

- **US Army Program Executive Office (PEO) Enterprise Information Systems (EIS), ERP IV&V.** Capgemini's performance on this large IDIQ contract vehicle ( [REDACTED] ) provides the Army with IV&V services that assist them in ERP development, synchronization, and integration. The US Army is implementing some of the world's largest and most complex systems. As the sole provider for all ERP risk management and IV&V services, Capgemini demonstrates its breadth and depth in skill with IT management in the US public sector.
- **Her Majesty's Revenue and Customs (HMRC), Aspire.** HMRC is the UK's primary tax agency, with staff of more than 80,000 collecting approximately \$667 billion from UK constituents. Capgemini is the IT partner to HMRC, delivering services through the Aspire contract. We provide in-depth governance, reporting, case management, self-service capabilities, and IT system management through this large contract vehicle. Our performance on the Aspire contract further demonstrates our ability to work with large Government agencies in complex IT environments.
- **Leading Publisher of Magazines and Textbooks, Transformation Roadmap.** Capgemini executed a three-year technology transformation roadmap for this publisher. We have cataloged IT capabilities and identified initiatives for growth based upon their current levels. Our work has realigned their business strategy for significant growth in accordance with leading standards in industry.
- **[REDACTED] Major Global Media Company, Enterprise Assessment.** Capgemini evaluated each business unit's purchasing and worked closely with business unit leadership to develop shared enterprise vendor solutions and standards. Our collaboration has promoted cost reduction and streamlined processes throughout the organization, eliminating [REDACTED] in reoccurring expenses.



## 6.2.1 US Army PEO EIS, ERP IV&V

### US Army PEO EIS

**Project Title:** ERP IV&V

**Contract Amount:** Approximately \$88 million

**Period of Performance:** 08/31/2009 to 08/31/2011

#### Project Description

The US Army is implementing some of the world's largest and most complex systems. Current IV&V activities supporting the Army's ERP programs do not provide an enterprise-level view of program level risks, nor enterprise level risks. An enterprise-level view is critical as the Army continues to build an enterprise solution consisting of end-to-end business processes integrated within a single enterprise architecture.

Capgemini was awarded an IDIQ contract estimated at \$88 million to provide IV&V services to all Program Executive Office (PEO) Enterprise Information Systems (EIS) ERP programs and to provide enterprise IV&V services that assist the Army in ERP development, synchronization, and integration. Our services:

- Effectively plan and execute ERP projects, including SAP® ERP development;
- Capture and manage risks associated with ERP technical and programmatic linkages and interdependencies;
- Identify, evaluate, track, and monitor all ERP project-specific and enterprise risks; and,
- Develop, recommend, and apply effective ERP risk mitigation strategies.

The scope of this project includes providing—collectively at the enterprise level and individually at the project level—comprehensive ERP IV&V services encompassing all Army ERPs within the purview of the PEO EIS (four of which are SAP®): the General Fund Enterprise Business System (GFEBS); the Logistics Modernization Program (LMP); the Global Combat Support System - Army (GCSS-A); the Army Enterprise Systems Integration Program (AESIP); and the Army Defense Integrated Military Human Resources System (Army-DIMHRS).

Capgemini is the sole provider for all ERP risk management and IV&V services. As a result, the Army has seen increased emphasis on risk avoidance in the implementation of these complex ERP solutions.

#### Work Performed

The Army contract supports the full suite of PEO EIS ERPs, providing a comprehensive risk management program encompassing both a core, enterprise-level component; and a localized, project-specific component. Capgemini serves as the prime integrator and leads a diverse team of 10 other vendors: four large businesses, five small businesses, and one historically black college/university (HBCU).

Capgemini provides a single point of contact for IV&V services for the Army ERP (SAP®) systems, and manages interactions and communications with multiple vendors (including SAP®) in providing risk management and IV&V support. Our services have reduced the potential impact of downtime on the SAP® systems, thereby indirectly contributing to increased productivity. Team Capgemini will leverage the critical lessons learned on this large Federal engagement for the State of Washington.

**Evaluate Project Planning/Business Management/Project Management**—At the outset, Capgemini began by managing the transition from multiple support vendors to one with effective planning, transition methodologies, and documentation. We employed a project team of 15 people to transition the IV&V services across five locations. Our team worked with the prior IV&V contractor and the program PMO for two months after the rollout to facilitate the transition. In addition, we documented the current state of each ERP program, and customized the risk management and IV&V services based upon the current phase of the implementation lifecycle.

Capgemini historically delivered professional services to the Army within estimated budgets/cost. Using our project management best practices for SAP® engagements, we have delivered at least 70 fixed-price projects on-time and on-budget in 2008 and 2009. The achieved cost savings range between 7 and 15 percent.

**IV&V Strategic Management Support/OCM**—Capgemini's engagement with the Army began with simple SAP® risk management and IV&V services but now include technical and functional application assessments. The scope of these functional and technical audits is to assess both the quality of the implementation of the COTS software as well as implementation considerations beyond the technical aspects of the COTS solution. Capgemini assessed strategic implementation factors and organizational change processes by conducting user satisfaction surveys and standards. We confirmed that quality performance targets are clearly identified and delivered.

Capgemini has utilized industry-leading collaboration tools to address the need for concurrence and alignment amongst Army stakeholders. We have successfully facilitated more than 20 sessions within the five ERP programs.



## US Army PEO EIS

### **Requirements Management/Configuration, Change, and Release Management/Operating Environment—**

Capgemini provides end-to-end support to major upgrades and enhancements for SAP® systems. Strong technical management capability has kept turnaround time of these projects to a minimum in terms of time and resource requirements. This approach has ensured system availability of at least 98 percent. In addition, Team Capgemini is monitoring the development reusable reporting and uploading tools for the Army BI/BO data warehouses to improve productivity and automate business processes.

**QA/Testing**—Capgemini developed a Performance Requirements Summary (PRS) and a Quality Assurance Surveillance Plan (QASP) that represent our foundational specification of performance metrics by which the PEO EIS measures our team's performance and program success. Our IV&V is intended to give the PEO EIS confidence that it is receiving the services that were requested and that these services meet the stated requirements/goals of the ERP IV&V program. We developed and supported the SAP® Test Acceleration and Optimization (SAP® TAO) tool, which has helped reduce testing time and expense while increasing business process testing opportunities thus increasing system stability. Capgemini strictly follows technical standards and guidelines for ABAP and BI/BO developments while developing, enhancing, or testing solutions.

**Training**—Capgemini supports client training by strengthening skills and knowledge management by adopting a collaborative portal and maintaining up-to-date, easily indexed information.

**Data Management**—Capgemini is currently providing advice and counsel to the Army on how to effectively implement master data governance across the domains of the ERP systems. Distribution of the master data will be accomplished through the use of the SAP® MDM 7.0 tool. This approach will maintain master data with a high degree of integrity and accuracy, which increases maintenance order accuracy, decreases data quality issues, and supports unparalleled warfighter satisfaction. It is important to the Army to extract data from sources inside and outside the Army ERP systems to satisfy auditing requirements. Using mature processes and dedicated workforce, we use a strategy and approach that accomplishes this in the most timely and cost-effective manner.

**Operations and Maintenance/IT Governance and Enterprise Architecture**—Capgemini proactively recommends best practices, technology solutions and innovations (Run SAP®), and long term solutions to the five Army commands that are functional sponsors of the respective ERP programs. We maintain a global support organization that assesses technical solutions, provides SAP® hosting, and off-site support services for SAP® systems. We manage major support consolidation and integrated support services for many global organizations that utilize SAP®.

**Role of Contractor performing this project including contractual role (Prime, Sub, etc.):** Prime

## 6.2.2 Her Majesty's Revenue & Customs (HMRC), Aspire

### Her Majesty's Revenue & Customs (HMRC), Aspire

**Project Title:** Aspire

**Contract Amount:** The value of the contract varies each year dependant on demand; generally it is around \$1.1B per year.

**Period of Performance:** 07/2004 to 06/2017

#### Project Description

Capgemini is the IT partner to HMRC, the United Kingdom (UK) tax agency, delivering services through the Aspire contract. HMRC's staff of more than 80,000 collected £435 billion from 2008 to 2009 (approximately \$667 billion) and made payments to more than 7 million families.

#### Governance, Tools, and Reporting

Account management includes bi-annual, board-to-board meetings involving HMRC's CEO and the Capgemini Group CEO, and monthly meetings with the leadership board of HMRC's IT function

Weekly joint Live Services reviews and a monthly Governance Board analyze consolidated service management performance reports that show high-level indicators such as business availability. Individual services, core infrastructure (networks, firewalls, and servers), and technology (ERP, operating systems, and applications) report on status each week.

Weekly project meetings and monthly project reports and governance meetings show projects delivered and problems encountered. Project governance and assurance focuses on the interdependencies within the overall program and key time, quality and cost indicators. Individual projects need to pass strict quality gates, assess risks and compliance, and are regularly audited. The project management process deploys project planning and control tools; a business management framework of approved policies, processes, procedures, guidelines, and templates; and a rational methods composer for process integration and methods management.

Capgemini delivery complies with HMRC security standards, which are subject to regular audits by HMRC and NAO, and use industry standard tools.

Sir Nicholas Montagu, former Chairman of the Internal Revenue (IR), said:

*"The Inland Revenue remains at the forefront of the themes that the Government wants to pursue—modernizing public service, welfare reform, and the expansion of e-services. These present us with huge challenges and we need a technology partner who can help us meet them. Capgemini demonstrated throughout the competition that they have the skills to make a reality of these changes and others that the future may bring, while still supporting our daily business."*

#### Work Performed

HMRC has one of the largest IT infrastructures in the UK, covering 100,000 end user devices (desktops, laptops & printers), more than 400 business critical applications, and 2,500 databases on around 6,300 servers in nine data centers. In addition to end-to-end accountability for running this IT, Capgemini provides a bespoke development business for HMRC which delivers major programs to enable legislation and internal change, two major Enterprise Releases with 30 to 40 major system updates every six months and more than 200 projects a year. The contract is output-focused rather than simply activity based. This means that Capgemini is paid for delivering real business value—not just for completing projects.

**Case management systems. Enterprise case management.** Capgemini has implemented a full life cycle case management system to help HMRC identify possible error or fraud in individuals' or companies' tax returns. It includes case management, case routing, digital processing, and document handling. It provides a single view of the status of work in progress across teams, and directs to maximize productivity and get work to the right person in the right place at the right time, regardless of where they are located. Operational dashboards show work in hand; effort and yield, and new campaigns and interventions can be implemented or fine-tuned very quickly.

A consistent process is applied to all cases that are being investigated. All compliance activity is recorded from first contact to case closure, and supported by automated loading of formatted documents available throughout the process.

In addition to delivering the IT, Capgemini also provided business change services to assess the impact of change on the organization and preparation of required training. The initial project plan timeline and budget was changed in agreement with the customer, following a reassessment of how to integrate the solution, and in line with the hardware changes that were underway across HMRC's IT estate. The new timeline was delivered on-time and to budget. The

## Her Majesty's Revenue & Customs (HMRC), Aspire

new solution meets quality standards and is now maintained by Capgemini.

**Call center capabilities.** Capgemini provides a managed service solution for HMRC's call center infrastructure. This was not originally part of the Aspire contract, but when several of the telephony components were reaching end of life in parallel to the existing service contracts coming to an end, HMRC used this as an opportunity to take a radical look at their infrastructure. Capgemini renegotiated existing contracts, providing an immediate saving to HMRC to reinvest into the infrastructure to pave the way for the migration to a new VOIP network.

**External-facing/constituent portal capabilities.** The online services that Capgemini delivers for HMRC illustrate the approach to governance and technology across the end-to-end lifecycle, from project delivery and running live services. HMRC's program board for online services delivery brings Capgemini together their program heads from process, IT, and marketing. HMRC defines the scope and Capgemini is given the freedom to decide what technology is needed to deliver usability, security, and capacity.

Capgemini developed a shared platform for online services and new applications to enable HMRC to increase the number of customers and provide web-based new services, such as self assessment online. New portal features included:

- The new infrastructure backbone and software architecture provided a disaster tolerant, resilient solution across two data centers; scalability to grow in future years; multiple security tiers; and flexible traffic management to promote fast adaption and the capability to add capacity as the number of users increases.
- The development of new applications benefit from extensive customer consultation during development and after implementation; standardized interface and validation rules promote that data is correct and common software components through a Reference Software Architecture.
- Industrial strength testing integrates web services, routing systems, database, and cross government infrastructure.
- Advanced service management tools include monitoring technology for real-time analysis and real-time information feeds in a mission control center to promote prompt action before issues affect service.

The online services program described above is an example of how Capgemini is working with HMRC to make online services more accessible to the public. Dave Hartnett, Permanent Secretary of the HMRC Tax Department, says that the online services *"enable people to do business with Government in the way we know they want to. The outstanding popularity of online filing is the foundation on which we are transforming the way taxpayers interact with us."*

In addition to online services, Capgemini has also delivered speech technology to assist in the collection of Self-Assessment payments by debit card in contact centers, and to help visually-impaired customers access services.

All Capgemini services comply with HMRC's security standards. Capgemini is also working with HMRC to implement improvements to security and has implemented a case management system to authorize and track physical media movements into, out of, and within HMRC. Furthermore, Capgemini has implemented a Secure Electronic Transfer (SET) service to manage the exchange of bulk information about income and payments with external organizations like the Department of Work and Pensions (DWP) and banks and building societies. It is part of HMRC's long term aim for electronic transfer to replace encrypted CDs and other physical media.

**Systems consolidation.** Capgemini implemented a new ERP system to consolidate hundreds of legacy systems into a single standardized approach to finance, procurement, and HR. The new ERP system was rolled out to more than 500 sites in support of 83,000 users.

Capgemini also conducted the transition and build out of CHIEF, the system that controls the import and export of freight through the UK borders. Capgemini managed the build of new infrastructure in secure databases and with secure networks, transitioned the application from the incumbent supplier to the Capgemini-managed datacenter, and provided new connectivity for a network of partner organizations. The HMRC CIO described the transition as "flawless."

**Self-service capabilities.** Capgemini implemented new online services and portal industrialization. Resilience of the new platform and success of the self-assessment application has been demonstrated by the 50% increase in online customers in its first year. In the 2009-2010 self assessment filing period (the second year of the new online service), customers increased to 6.5 million and more than 12 complex submissions were processed every minute during peak usage. In 2010, new applications for corporation tax, value-added tax, and pay-as-you-earn have been developed and deployed on the shared platform.

The migration to a new IT provider (Capgemini) was a massive undertaking that became even more complex in 2005 when the Internal Revenue (IR) merged with HM Customs & Exercise to form a single department—the HMRC. The UK Government's Comprehensive Spending Review in April 2007 required new cost efficiencies across all central

#### Her Majesty's Revenue & Customs (HMRC), Aspire

government departments, including HMRC. The Aspire contract was revised to reduce IT running costs at HMRC without compromising quality. Concurrently, the contract was extended for a further three years to provide an equitable ROI to Capgemini, strengthening both organizations' commitment to each other.

Capgemini's and HMRC's achievements together illustrate experience that is particularly pertinent. For example:

*"Aspire has presented us with a remarkable opportunity to bear Capgemini's wide-ranging qualities in a single contract. It represents one of the best examples of Capgemini applying its talents in support of a challenging and hugely diverse transformation program."*—David Boulter, CEO, Aspire

*"HMRC and Capgemini have worked together to achieve outstanding savings for the Department. This is just one of the ways HMRC will be reducing operating costs and it signals the intent to bring IT costs down as announced in the 2009 Budget."*—Lesley Strathie, Chief Executive, Permanent Secretary for HMRC

In November 2009, HMRC committed to channel all core external IT spend through the Aspire contract and Capgemini committed to savings from 2011/12.

**Adaption to changing needs and legislation.** Capgemini typically manages two major enterprise releases for HMRC each year, to enable changes for the new tax year and to implement other legislative change. They introduce new systems and make either major enhancements or small (but critical) changes to existing functionality at the same time. The latest enterprise release delivered changes to student loans, national insurance, and Pay-As-You-Earn and tax Credits.

Capgemini has also worked with HMRC to help understand the operational implications of policy changes before formally submitting recommendations that are eventually formally submitted to government Ministers. When HMRC was developing new rules to simplify and harmonize rules for interest charged and paid, the policy team involved tax specialists from HMRC and business change consultants from Capgemini. The Joint Senior Responsible Owner from HMRC, Guy Hopper, said that *"for a project at this stage of its inception, [we] have provided [them] with a level of detail that is rarely, if ever, produced until further down the line."*

**Role of Contractor performing this project including contractual role (Prime, Sub, etc.):** Prime

### 6.2.3 Leading Publisher of Magazines and Textbooks, Transformation Roadmap

Capgemini recently executed a three-year technology transformation roadmap for the Information & Media segment of a Leading Publisher of Magazines and Textbooks. Capgemini:

- Developed a catalog of IT capabilities for the Information & Media business units;
- Developed a description of IT capabilities delivered by IT systems and service business units of Information & Media; and,
- Identified initiatives to develop and transform its current capabilities, and created a three to five year transformation plan with initiatives required to develop the future-state IT capabilities and supporting delivery processes and skills.

The resulting IT Transformation Roadmap focused on technology and capabilities that enable the client's business strategy. We analyzed the client's business strategy, IT applications, IT strategy and alignment to industry trends. The successful blend of our collaborative approach using ASE type workshops, leading practices from Six Sigma, proven methodologies for portfolio rationalization, and our abilities for capability analysis was used in the development of this IT Strategy and Transformation roadmap for the client.

### 6.2.4 Major Global Media Company, Enterprise Assessment

This Major Global Media Company had multiple business units that had negotiated individual agreements that did not leverage the enterprise spend, provided no corporate benefits beyond the individual business units, and had conflicting commitment agreements that exceeded the actual corporate volume in total. The company engaged Capgemini to evaluate what, where, when and why the business units purchase what they do for their technology needs. Additionally, they wanted Capgemini to collaborate with the business unit leaders to develop shared enterprise vendor solutions and standards; work with the vendors to reduce rates on these consolidated and shared solutions and services; and assist the Legal team with getting the necessary replacement enterprise contracts executed.

These solutions included vendor consolidations, strategic vendor relationships, aligning standards with real business unit acceptance and forward pricing agreements for continued savings as either volumes increased or market forces further drove down rates. To foster collaboration, we hosted five two-day workshops that included all of the business units in each of the five regions. These were held in London, Milan, Sydney, Los Angeles, and New York. With insight from these workshops, we worked with the business units to develop shared solutions that filled their business requirements. We then negotiated or renegotiated agreements with the suppliers at the enterprise level to provide these goods and services at significantly improved rates and to implement reporting that quickly identified exception conditions.

Globally across the newspaper, movie, broadcast television, satellite television, social networking and other major business units, these actions eliminated \$40 million in reoccurring annual expense.

### **6.2.5 Large Global Retailer, Website Solution**

This client is one of the largest global retailers and their IT partner is one of the largest global IT hardware and services vendors. This retailer, in conjunction with its IT partner, wanted to extend its customer relationship and cross-sell by adding a video download capability to their web site for existing movies, weekly new releases and selected television shows from all of the major studios. The challenges included creating this emerging technology, complete compliance to the digital rights management, supporting the complete range of the retailer's customer home PCs, integrating the multiple format studio data and metadata feeds, managing the multiple SKUs, and processing all the payments and returns.

For the IT partner, Capgemini developed a fully redundant website solution that captured the studio content feeds, presented the consumer experience through the browse and purchase paths, hosted the retailers marketing campaigns, processed all the payment and return transactions, tracked the volumetric information for royalties, and addressed all the call center support requirements. Capgemini also functioned as the provider's application development and maintenance, operations, quality assurance, content management, and incident management teams.

## 7 Additional Materials

We are attaching success stories that give the State of Washington further insight into the way other Capgemini clients have designed and implemented similar solutions of ours. Please view the following attachments as success stories that substantiate our aforementioned capabilities.

- Ministry of Defense (MOD), Self-Service Online HR to Save MOD Millions of Pounds Over 10 Years.
- Amazon Web Services for a Major Fashion Retailer.
- Large Electricity Utility Achieves Cost Savings and Positions Itself for Future Expansion, Growth, and Agility.
- Windesheim University Showcases Next-Generation Student Experience—All Accessed Via Remote Portal.